



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

OCT 24 2013

REPLY TO THE ATTENTION OF:
WN-16J

Stan Rigney, Chief
Industrial NPDES Permits Section
Indiana Department of Environmental Management
Office of Water Quality, Mail Code 65-42
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

Re: U.S. Environmental Protection Agency Review of the public notice draft NPDES Permit for the St. Joseph Energy Center, Permit No. IN0061422

Dear Mr. Rigney:

The U.S. Environmental Protection Agency has reviewed the public notice draft National Pollutant Discharge Elimination System Permit (Permit), fact sheet, and supporting documents for the St. Joseph Energy Center that was submitted to EPA on September 4, 2013. Based on our review to date, EPA would not object to issuance of that permit.

EPA recommends that you consider and address the comments identified in Enclosure A in order to improve the clarity and accuracy of the permit, but would not object to those issues based upon our current review. My staff has discussed these comments with your staff as noted in the enclosure.

However, our position could change if any of the following occurs:

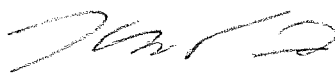
- a. Prior to the actual date of issuance of a Proposed Permit, an effluent guideline or standard is promulgated which is applicable to the permit and which would require revision or modification of a limitation or condition set forth in the Draft Permit;
- b. A variance is granted and the Permit is modified to incorporate the results of that variance;
- c. There are additional revisions to be incorporated into the Permit which have not been agreed to by EPA; or
- d. EPA learns of new information, including as the result of public comments, that causes EPA to reconsider its position.

St. Joseph Energy Center, Permit No. IN0061422

When the Proposed Permit is issued, please forward one copy and any significant comments received during any public notice period to this office at the above address, attention Sean Ramach, NPDES Programs Branch. If you have any technical questions related to EPA's review, please contact Sean Ramach of my staff by telephone at (312) 886-5284 or by email at ramach.sean@epa.gov.

Thank you for your cooperation during the review process and your thoughtful consideration of our comments.

Sincerely,



Kevin M. Pierard, Chief
NPDES Programs Branch

Enclosure

cc: Nicole Gardner, Environmental Engineer

St. Joseph Energy Center, Permit No. IN0061422

Enclosure A

Additional comments and recommendations on the St. Joseph Energy Center, Permit No. IN0061422 by the U.S. Environmental Protection Agency.

- A) The facility has submitted a demonstration in support of their request for alternative thermal effluent limitations under Clean Water Act Section 316(a). Generally, the document presents sufficient information and analysis to support the alternate effluent limitations granted in the draft permit. As discussed with your staff, EPA recommends that the permittee be required to supplement the demonstration for the next permit renewal with additional information regarding the attractive nature of the thermal discharge to aquatic life. This supplement should focus on any potential impacts to growth and reproduction that may occur if aquatic life selectively stays in the warmer effluent rather than moving to cooler ambient temperature waters.
- B) The fact sheet states that the limitations in the permit are based in part upon the alternate thermal effluent demonstration and in part upon Indiana thermal water quality standards. For the months of June to September, the thermal effluent limitations are stated to be based upon the state water quality standards. However, the permit does not contain the percentage hours exceedance limitation included in those thermal water quality standards. Your staff has indicated that this was an oversight and that the limitation will be included or an explanation included in the fact sheet making clear why these limitations for June to September as drafted would assure the protection and propagation of the balanced and indigenous community consistent with the requirements of Section 316(a). EPA recommends that this be resolved prior to final issuance, but would not object since a 316(a) demonstration has been submitted and alternative effluent limitations requested.
- C) The draft permit does not authorize the use of any water treatment additives until they are approved for use. EPA understands that IDEM has separate process for approval of water treatment additives that considers whether there are any adverse effects and reasonable potential to exceed water quality standards. Your staff has indicated that a permit modification and limitations would be required if this review indicates the need for limitations. The facility has provided a preliminary list of anticipated water treatment additives with toxicity data, but an assessment is not currently available. EPA recommends Whole Effluent Toxicity testing be required in the permit or in any modification to resolve any concerns related to the use of water treatment additives for a new discharge into an effluent dominated waterbody.